

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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PORTSIDE GROWTH AND OPPORTUNITY
FUND,

07 CIV 7834(SHS)(RLE)

Plaintiff,

-against-

GLOBAL ePOINT, INC.,

STIPULATION AND ORDER

Defendant.

WHEREAS, plaintiff Portside Growth and Opportunity Fund ("Plaintiff"), commenced this action by the filing of a Summons and Complaint on September 5, 2007; and

WHEREAS, the Summons and Complaint were served upon the defendant Global ePoint, Inc. ("Defendant") on September 6, 2007; and

WHEREAS Defendant has appeared in this action and its time to answer the Complaint has been extended by Stipulations to October 26, 2007; and

WHEREAS, Plaintiff and Defendant have negotiated in good faith towards consummating a settlement; therefore

IT IS HEREBY STIPULATED AND AGREED, by and between the undersigned counsel for Plaintiff and Defendant, that the Judgment in the form attached hereto as Exhibit A may be presented to the Court (Stein, J.) to be signed and then entered on the docket of the Clerk of the Court as promptly as possible and without further notice to either party; and

IT IS HEREBY FURTHER STIPULATED AND AGREED, that Plaintiff may, notwithstanding anything to the contrary contained in this Stipulation and Order, file and perfect the Judgment in any other state or federal court or jurisdiction; and

IT IS HEREBY FURTHER STIPULATED AND AGREED, that Plaintiff will take no action to enforce the Judgment until the earlier to occur of (i) April 7, 2008; (ii) a bankruptcy event within the meaning of subparts (a) through (e), (g) or (h) of the definition "Bankruptcy Event" as defined in the Securities Purchase Agreements between Defendant and the purchaser identified on the signature pages thereof dated as of June 2, 2005 and May 23, 2006 (the "SPAs"); (iii) a "Change of Control" as defined in the SPAs; and (iv) any person obtains a judgment against defendant in excess of \$50,000 that is not stayed and becomes enforceable prior to April 7, 2008.

IT IS HEREBY FURTHER STIPULATED AND AGREED, that in the event that defendant enters into any agreement with any other holder of Series C or Series E Preferred Stock that provides for greater per share payment than the amount of the Judgment, the Judgment shall be amended to achieve parity.

Dated: New York, New York
November 16, 2007

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Growth and Opportunity Fund

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SO ORDERED:

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